

ATC West, Inc.  
Profitability Comparison—Per Hour Basis  
ATC 810 vs Cabin Class Twin (C402/PA31)

	ATC 810 *	Your Aircraft	Cabin Twin
1. Initial* Investment	\$41940 .00	_____	\$426,140 .00
2. Direct Ops./Hr.	<.01	_____	150 .00
3. Indirect Ops./Hr.		_____	16 .56
a. Svc. Policy	\$3.91		
b. Insurance	\$1.75		
Total	<u>5.07</u>		<u>166.56</u>
4. Depreciation**/Hr.	15.98	_____	106.54
5. Total Costs/Hr.	26.71	_____	273.01
6. Profitability: Charge/Hr.	65.00	_____	325.00 (200 mph x \$1.50/mi.)
7. Hours Per Year	300	_____	600
8. Net Profit/Hr. (#6 minus #5) (minus all costs)	38.29	_____	51.99
9. Yearly Profit	11487.00	_____	31,194.00
10. Return on Investment	27%	_____	7.32%

\*\*ATC 810: 7 year depreciation schedule to 20% salvage value

Aircraft: 4 year depreciation schedule to 40% salvage value  
with new engines at this time for resale.

\*Equipment includes 810, XY Plotter, HSI option, fuel flow, VOR/ILS  
meter.

\*\*\*Direct Ops-Cabin twin includes fuel-50 GPH @ \$2.10. Reserves  
Engines, Props, \$10.00/hr. Maintenance—Airframe and Avionics.

ATC WEST  
ANAYSIS-EQUIPMENT

INDIVIDUAL

ASSUMPTIONS

EQUIPMENT COST       \$41940 .00  
TAX BRACKET           50%  
FULL YEAR DEPRECIATION ALLOWED IN EACH YEAR.  
LIFE CHOICE           5 YRS.  
METHOD                ACCELERATED

<u>YEAR</u>	<u>DEPRCIATION WRITE-OFF</u>	<u>TAX SAVINGS</u>	<u>INDIVIDUAL TAX CREDIT</u>	<u>TOTAL TAX SAVINGS</u>
.3   1   2X	\$12582.00	\$6291.00	\$4194.00	\$10485.00
.21   2   1.5X	\$ 8807.40	\$4404.70		\$ 4404.20
.1633   3	\$ 6850.00	\$3425.00		\$ 3425.00
.1633   4	\$ 6850.00	\$3425.00		\$ 3425.00
.1633   5	\$ 6850.00	\$3425.00		\$ 3425.00
				<u>\$25164.00</u> = 60%

CORPORATION:

ASSUMPTIONS:

EQUIPMENT COST       \$36000  
TAX BRACKET           (TYPE A)-25%  
                          (TYPE B)-40%  
FULL YEAR DEPRECIATION ALLOWED IN EACH YEAR  
LIFE CHOICE           5 YRS.  
METHOD                ACCELERATED

TYPE A

<u>YEAR</u>	<u>DEPRECIATION WRITE-OFF</u>	<u>TAX SAVINGS</u>	<u>INDIVIDUAL TAX CREDIT</u>	<u>TOTAL TAX SAVINGS</u>
1	\$12582.00	\$3146.00	\$4194.00	\$ 7334.00
2	\$ 8807.00	\$2202.00		\$ 2202.00
3	\$ 6850.00	\$1713.00		\$ 1713.00
4	\$ 6850.00	\$1713.00		\$ 1713.00
5	\$ 6850.00	\$1713.00		\$ 1713.00
				<u>\$14675.00</u> 34.9%

TYPE B

1	\$12582.00	\$5033.00	\$4194.00	\$ 9227.00
2	\$ 8807.00	\$3523.00		\$ 3523.00
3	\$ 6850.00	\$2740.00		\$ 2740.00
4	\$ 6850.00	\$2740.00		\$ 2740.00
5	\$ 6850.00	\$2740.00		\$ 2740.00
				<u>\$20970.00</u> 50%